



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 5  
77 WEST JACKSON BOULEVARD  
CHICAGO, IL 60604-3590

**VIA ELECTRONIC MAIL**  
**DELIVERY RECEIPT REQUESTED**

Bryan Fultz, Plant Manager  
Fritz Enterprises, Inc.  
[fultz@fritzinc.com](mailto:fultz@fritzinc.com)

Re: Finding of Violation  
Fritz Enterprises, Inc.  
Flint, Michigan

Dear Bryan Fultz:

The U.S. Environmental Protection Agency is issuing the enclosed Finding of Violation (FOV) to Fritz Enterprises, Inc. (Fritz or you) under Section 113(a) of the Clean Air Act, 42 U.S.C. § 7413(a). We find that you have violated the Clean Air Act (CAA), 42 U.S.C. § 7401 *et seq.*, specifically the regulations for the Protection of Stratospheric Ozone at 40 C.F.R. Part 82, Subpart F at your Flint, Michigan facility.

Section 113 of the Clean Air Act gives us several enforcement options. These options include issuing an administrative compliance order, issuing an administrative penalty order, and bringing a judicial civil or criminal action.

We are offering you an opportunity to confer with us about the violations alleged in the FOV. The conference will give you an opportunity to present information on the specific findings of violation, any efforts you have taken to comply and the steps you will take to prevent future violations. In addition, in order to make the conference more productive, we encourage you to submit to us information responsive to the FOV prior to the conference date.

Please plan for your facility's technical and management personnel to attend the conference to discuss compliance measures and commitments. You may have an attorney represent you at this conference.

The EPA contact in this matter is Laura Neudorf. You may contact her at (312) 886-0794 or [neudorf.laura@epa.gov](mailto:neudorf.laura@epa.gov) to request a conference. You should make the request within 10 calendar days following receipt of this letter. We should hold any conference within 30 calendar days following receipt of this letter.

Sincerely,

for

Sarah Marshall

Supervisor, Air Enforcement and Compliance Assurance Section (MI/WI)

Enclosure: SBREFA fact sheet

cc: Jenine Camilleri, Enforcement Unit Supervisor  
Air Quality Division, Michigan Department of EGLE  
[camillerij@michigan.gov](mailto:camillerij@michigan.gov)

Brad Myott, District Supervisor  
Air Quality Division, Michigan Department of EGLE  
[myottb@michigan.gov](mailto:myottb@michigan.gov)

1. In accordance with Section 608 of the CAA, 42 U.S.C. § 7671g, EPA promulgated regulations at 40 C.F.R. Part 82, Subpart F establishing a recycling and emissions reductions program for ozone-depleting substances. As specified at 40 C.F.R. § 82.150(a), the purpose of the regulations is to reduce emissions of class I and class II refrigerants, which are listed in Appendices A and B to Subpart A of 40 C.F.R. Part 82, and their non-exempt substitutes to the lowest achievable level during the service, maintenance, repair, and disposal of appliances.
2. As stated in 40 C.F.R. § 82.150(b), 40 C.F.R. Part 82, Subpart F applies, in pertinent part, to persons disposing of appliances containing class I, class II, or non-exempt substitute refrigerants, including small appliances and motor vehicle air conditioners (MVAC).
3. Under 40 C.F.R. § 82.152, “person” means, in pertinent part, any individual or legal entity, including an individual and corporation.
4. Under 40 C.F.R. § 82.152, “disposal” means, in pertinent part, the process leading to and including the recycling of any appliance for scrap.
5. Under 40 C.F.R. § 82.152, an appliance is any device which contains and uses a class I or class II substance or substitute as a refrigerant and which is used for household or commercial purposes, including any air conditioner, MVAC, refrigerator, chiller, or freezer. For a system with multiple circuits, each independent circuit is considered a separate appliance.
6. Under 40 C.F.R. § 82.152, an MVAC is an appliance that is a motor vehicle air conditioner as defined in 40 C.F.R. § 82.32(d), which states that MVAC “means mechanical vapor compression refrigeration equipment used to cool the driver's or passenger's compartment of any motor vehicle. This definition is not intended to encompass the hermetically sealed refrigeration

systems used on motor vehicles for refrigerated cargo and the air conditioning systems on passenger buses using HCFC-22 refrigerant.”

7. Under 40 C.F.R. § 82.152, an MVAC-like appliance is a mechanical vapor compression, open-drive compressor appliance with a full charge of 20 pounds or less of refrigerant used to cool the driver's or passenger's compartment of off-road vehicles or equipment. This includes, but is not limited to, the air-conditioning equipment found on agricultural or construction vehicles. This definition is not intended to cover appliances using R-22 refrigerant.
8. Under 40 C.F.R. § 82.152, a small appliance is any appliance that is fully manufactured, charged, and hermetically sealed in a factory with five (5) pounds or less of refrigerant, including, but not limited to, refrigerators and freezers (designed for home, commercial, or consumer use), medical or industrial research refrigeration equipment, room air conditioners (including window air conditioners, portable air conditioners, and packaged terminal air heat pumps), dehumidifiers, under-the-counter ice makers, vending machines, and drinking water coolers.
9. Under 40 C.F.R. § 82.154(a), no person maintaining, servicing, repairing, or disposing of appliances may knowingly vent or otherwise release into the environment any refrigerant or substitute from such appliances, with certain exceptions not relevant to this matter.
10. Under 40 C.F.R. § 82.155(a), persons recovering refrigerant from a small appliance, MVAC, or MVAC-like appliance for purposes of disposal of these appliances must evacuate refrigerant to the levels in 40 C.F.R. § 82.155(b) through (d) using recovery equipment that meets the standards in 40 C.F.R. § 82.158(e) through (g), or 40 C.F.R. Part 82 Subpart B, as applicable.
11. Under 40 C.F.R. § 82.155(b), the final processor—i.e., persons who take the final step in the disposal process (including but not limited to scrap recyclers and landfill operators) of a small appliance, MVAC, or MVAC-like appliance—must either:
  - (1) Recover any remaining refrigerant from the appliance in accordance with 40 C.F.R. § 82.155 (a); or
  - (2) Verify using a signed statement or a contract that all refrigerant that had not leaked previously has been recovered from the appliance or shipment of appliances in accordance with 40 C.F.R. § 82.155(a). If using a signed statement, it must include the name and address of the person who recovered the refrigerant and the date the refrigerant was recovered. If using a signed contract between the supplier and the final processor, it must either state that the supplier will recover any remaining refrigerant from the appliance or shipment of appliances in accordance with 40 C.F.R. § 82.155(a) prior to delivery or verify that the refrigerant had been properly recovered prior to receipt by the supplier.<sup>1</sup>

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<sup>1</sup> In the Preamble to the original rule and in revisions to 40 C.F.R. Part 82 Subpart F, EPA described under what circumstances a contract was appropriate and when a disposer should use a signed statement: “EPA notes here that a contract is appropriate for businesses to streamline transactions in cases where they maintain long-standing business relationships. A contract would be entered into prior to the transaction, such as during the set-up of a customer account, not simultaneously with the transaction. A signed statement is more appropriate for one-off transactions between the supplier and the final processor.” 81 Fed. Reg. 82,272, 82309 (Nov. 18, 2016).

12. Under 40 C.F.R. § 82.155(b)(2)(i), it is violation of 40 C.F.R. Part 82, Subpart F to accept a signed statement or contract if the person receiving the statement or contract knew or had reason to know that the signed statement or contract is false.
13. If the final processor is not recovering the remaining refrigerant from appliances pursuant to 40 C.F.R. § 82.155(b)(1), the final processor must notify suppliers of appliances that refrigerant must be properly recovered in accordance with 40 C.F.R. § 82.155(a) before delivery of the items to the facility pursuant to 40 C.F.R. § 82.155(b)(2)(ii). The form of this notification may be signs, letters to suppliers, or other equivalent means.
14. Under 40 C.F.R. § 82.155(b)(2)(iii), if all refrigerant has leaked out of the appliance, the final processor must obtain a signed statement that all the refrigerant in the appliance had leaked out prior to delivery to the final processor and recovery is not possible. “Leaked out” in this context means those situations in which the refrigerant has escaped because of system failures, accidents or other unavoidable occurrences not caused by a person’s negligence or deliberate acts such as cutting refrigerant lines.

### **Factual Background**

15. Fritz owns and operates scrap recycling facilities (Facilities) at several locations, including 5032 N Dort Highway, Flint, Michigan 48505 (Flint Facility).
16. EPA inspected the Flint Facility on April 20, 2022 and conducted a follow-up conference call with Flint Facility personnel on May 4, 2022.
17. At the time of the inspection, Fritz stated that it accepts and disposes of vehicles and small appliances that contain or once contained refrigerant at the Flint Facility. The Facility is therefore subject to the requirements at 40 C.F.R. Part 82, Subpart F.
18. At the time of the inspection, Fritz owned equipment to perform refrigerant recovery, but facility personnel were only aware of refrigerant recovery occurring on-site in 2021 and earlier (not 2022).
19. At the time of the inspection, Flint Facility personnel were not aware of any contracts that Fritz maintained with vendors regarding proper refrigerant recovery.
20. At the time of inspection, facility personnel stated that peddlers attempting to sell appliances to Fritz are required to fill out a “Peddler Refrigerant Sheet”.
21. In a post-inspection documentation request, EPA requested that Fritz provide copies of their 10 most recently completed “Peddler Refrigerant Sheets.” The sheets Fritz provided ask the seller to complete either a section to confirm that refrigerant was properly recovered and had not leaked previously or complete a different section if refrigerant had leaked previously from the appliance. The first section includes lines for the name and address of the person who recovered the refrigerant and the date the refrigerant was recovered.
22. Out of the 10 most recently completed “Peddler Refrigerant Sheets” provided by Fritz, none were completed correctly, as each seller initialed a line stating “the appliance had not leaked previously and [...] all refrigerants have been removed in accordance with paragraph (g) or (h) 40 CFR Section 82.156 as applicable, from the appliance or shipment of appliances delivered

under this sale” and also initialed a line stating “the refrigerants had leaked previously from the appliance or shipment of appliances delivered under this sale.”

23. In a post-inspection documentation request, Fritz provided their “Freon Removal for Appliances Procedures.” The second step of this procedure states, “If the Freon has been removed by the vendor, or the lines are not intact at delivery, AND we have a completed and signed certificate from the vendor, the appliance is to be marked with a GREEN X. Appliance log is to be filled in. Appliance may be shredded.” The bottom of this document states, “THERE ARE NO EXCEPTIONS TO FOLLOWING THESE PROCEDURES.”

### **Violation**

24. By failing to verify, using a signed statement or contract, that all refrigerant that had not leaked previously had been recovered from the appliance or shipment of appliances in accordance with 40 C.F.R. § 82.155(a), and by accepting signed statements that the Facility knew or had reason to know is false, Fritz’s Flint Facility violated 40 C.F.R. § 82.155(b).

### **Environmental Impact of Violations**

25. These violations caused emissions of ozone depleting substances, including chlorofluorocarbons (CFCs) and hydrochlorofluorocarbons (HCFCs), which deplete the stratospheric ozone layer. The stratospheric ozone layer protects life on Earth from the sun’s harmful ultraviolet radiation (UV). UV radiation has been associated with adverse health effects, including skin cancer, cataracts, and immune suppression. UV radiation may also have adverse effects on plant life and aquatic ecosystems.
26. These violations also caused emissions of substitute refrigerants, including hydrofluorocarbons (HFCs). CFCs, HCFCs, and HFCs have high global warming potentials and contribute to warming of the earth’s atmosphere and global climate change.

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Michael D. Harris  
Division Director  
Enforcement and Compliance Assurance Division